

84TH CONGRESS  
2D SESSION

# S. 3477

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## IN THE SENATE OF THE UNITED STATES

MARCH 19, 1956

Mr. JOHNSTON of South Carolina introduced the following bill; which was read twice and referred to the Committee on Post Office and Civil Service

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## A BILL

To provide for the procurement by the Government of insurance against risk to civilian personnel of liability for personal injury or death, or for property damage, arising from the operation of motor vehicles in the performance of official Government duties, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
- 2 *tives of the United States of America in Congress assembled,*
- 3 That subject to section 3 of this Act, and except as provided
- 4 in section 2 of this Act, the Postmaster General, with re-
- 5 spect to personnel of the Post Office Department and the
- 6 postal field service, and the Administrator of General Serv-
- 7 ices, with respect to personnel of the other departments and
- 8 independent establishments in the executive branch of the

1 Federal Government, shall procure, under regulations which  
2 shall be promulgated by the Secretary of the Treasury, poli-  
3 cies of liability insurance covering civilian officers and  
4 employees in or under the executive branch of the Federal  
5 Government for liabilities imposed by law for damages,  
6 because of bodily injury or death or because of damage to  
7 property, of any person or persons caused by accident and  
8 arising out of the operation, use, maintenance, or ownership  
9 of any automobile, motortruck, motorcycle, motor scooter,  
10 or other motor vehicle, or any bicycle, in the performance  
11 by any such civilian officer or employee of his official duties  
12 for the Federal Government. The amount of liability in-  
13 surance procured pursuant to this section for any such officer  
14 or employee under any such policy of insurance shall not  
15 exceed (1) the sum of \$10,000 for death or injury of one  
16 person in one accident, (2) the sum of \$20,000 for death or  
17 injury to more than one person in one accident, (3) the  
18 sum of \$5,000 for property damage in one accident, except  
19 that the appropriate official designated in this section may  
20 procure such liability insurance for any such officer or em-  
21 ployee in greater amounts, but not in an aggregate amount  
22 in excess of \$100,000 for personal injury or death of any  
23 person or persons and property damage in one accident, upon  
24 his determination and certification, together with a written  
25 explanation of the reasons, that the procurement of liability

1 insurance in such greater amount or amounts is necessary  
2 for the protection of such officer or employee and is consistent  
3 with the interest of the Government. Such insurance shall  
4 be of the most economical type available for the number  
5 and types of personnel to be insured and shall be purchased  
6 from one or more insurance companies licensed to operate  
7 in the States, Territories, or possessions of the United States,  
8 or in the District of Columbia, where such motor vehicles  
9 or bicycles are operated. The premium on any such policy  
10 of insurance may cover a period not exceeding three years  
11 and shall be paid from any funds available for the payment  
12 by the Post Office Department or the General Services Ad-  
13 ministration, as the case may be, as administrative expenses  
14 at the time such premium is payable.

15 SEC. 2. Whenever it is the opinion of the appropriate  
16 official designated in the first section of this Act that (1) the  
17 cost to the Government will be less than the cost of procuring  
18 liability insurance under such first section for any officer or  
19 employee, or group of officers or employees, or both, for  
20 whom he is required under such first section to procure such  
21 liability insurance and (2) indemnification by the Govern-  
22 ment for personal injury or death of any person or for prop-  
23 erty damage, in lieu of the procurement of such liability  
24 insurance under such first section, is in the interest of the  
25 Government, he may exclude such officer or employee, or

1 group of officers or employees, or both, from the requirements  
2 of such first section, and shall, with respect to any such officer  
3 or employee, or group of officers or employees, or both, so  
4 excluded, provide by regulation or order for such indemnifi-  
5 cation and make payment or reimbursement for any personal  
6 injury, death, or property damage for which liability insur-  
7 ance is authorized to be procured under such first section--

8 (A) to any person, or his legal representative, in  
9 whose favor a judgment has been rendered by a court of  
10 competent jurisdiction and remains unsatisfied, against  
11 any officer or employee subject to this Act, for personal  
12 injury, death, or property damage for which liability  
13 insurance is authorized to be procured under the first  
14 section of this Act;

15 (B) to any officer or employee subject to this Act  
16 against whom judgment has been rendered by a court  
17 of competent jurisdiction for personal injury, death, or  
18 property damage for which liability insurance is author-  
19 ized to be procured under the first section of this Act,  
20 and who has made payment in satisfaction of such  
21 judgment; or

22 (C) in settlement of any claim or demand, not  
23 reduced to judgment, on account of any personal in-  
24 jury, death, or property damage for which liability in-

1        surance is authorized to be procured under the first  
2        section of this Act;  
3        conditioned upon execution by the person, or his legal repre-  
4        sentative, to whom any such payment or reimbursement is  
5        made of a full and complete satisfaction of judgment or re-  
6        lease of the Federal Government of any and all liability on  
7        account of any such personal injury, death, or property dam-  
8        age, in accordance with regulations which shall be prescribed  
9        by the appropriate official designated in the first section of  
10       this Act.

11       SEC. 3. The appropriate official designated in the first  
12       section of this Act may in his discretion defend any action  
13       brought in any court against any officer or employee sub-  
14       ject to this Act for personal injury, death, or property  
15       damage for which liability insurance is authorized to be pro-  
16       cured under the first section of this Act. All costs of defend-  
17       ing any such civil action shall be borne by the United States.  
18       Such designated official may, in his discretion, authorize any  
19       such officer or employee to defend any such civil action and  
20       in case of any such authorization, shall pay to or reimburse  
21       such officer or employee so authorized the costs incurred  
22       by such officer or employee in defending such civil action.

23       SEC. 4. If, in the opinion of the Postmaster General  
24       or the Administrator of General Services, as the case may

1 be, the initial or renewal premium cost for any policy of  
2 insurance procured under the first section of this Act will  
3 exceed the rate of \$300 per annum, the procurement shall  
4 be made only after advertising a sufficient time previously  
5 for proposals for the furnishing of such policy of insurance,  
6 and each award shall be made to the responsible bidder  
7 whose bid, conforming to the invitation for bids, will be  
8 most advantageous to the Government, price and other  
9 factors considered, except that any and all bids may be  
10 rejected when the appropriate official designated in the  
11 first section of this Act determines that it is in the public  
12 interest.

13 SEC. 5. The Postmaster General and the Administrator  
14 of General Services shall transmit to the Committee on Post  
15 Office and Civil Service of the Senate and the House of  
16 Representatives, on or before January 15 of each calendar  
17 year beginning after the effective date of this Act, compre-  
18 hensive reports, as of the last day of the preceding calendar  
19 year, of their operations under this Act during such preceding  
20 calendar year in their respective jurisdictions including,  
21 among other matters, information, in summary and in detail,  
22 setting forth—

23 (1) with respect to the first section and section 4  
24 of this Act—

25 (A) the number of officers and employees cov-

1           ered by any policy or policies of insurance procured  
2           under this Act,

3           (B) the number and types of policies of insur-  
4           ance procured under this Act,

5           (C) the average amounts of insurance provided  
6           each civilian officer and employee under this Act  
7           for (i) personal injury or death to one person in  
8           one accident, (ii) personal injury or death to more  
9           than one person in one accident, and (iii) property  
10          damage,

11          (D) the total amount of insurance coverage  
12          procured under this Act,

13          (E) the total amount of the premiums paid for  
14          insurance procured under this Act, and

15          (F) such other information as may be neces-  
16          sary to enable the Committees to review operations  
17          under the first section and section 4 of this Act;  
18          and

19          (2) with respect to sections 2 and 3 of this Act—

20               (A) the number of officers and employees ex-  
21               cluded from the requirements of the first section  
22               of this Act,

23               (B) a statement of the factors forming the  
24               basis for exclusions from the requirements of such  
25               first section,

1           (C) the number and amounts of payments or  
2           reimbursements made under paragraphs (A), (B),  
3           and (C) of section 2 of this Act,

4           (D) the estimated savings to the Government  
5           resulting from such payments or reimbursements in  
6           lieu of the procurement of policies of insurance  
7           under the first section of this Act,

8           (E) a statement relating to the defense, by an  
9           appropriate official designated in the first section of  
10          this Act or by officers or employees upon his author-  
11          ization, under section 3 of this Act of actions  
12          brought against any such officers or employees, to-  
13          gether with a statement of the costs incurred, and

14          (F) such other information as may be neces-  
15          sary to enable the Committees to review operations  
16          under sections 2 and 3 of this Act.

17       SEC. 6. This Act shall not apply to noncitizens, officers  
18       and employees of the United States whose permanent sta-  
19       tions of duty are located outside the continental United  
20       States, its Territories and possessions, or to commissioned  
21       officers or enlisted personnel on active duty in or with the  
22       Army, Navy, Air Force, Marine Corps, or Coast Guard,  
23       of the United States.

24       SEC. 7. Any funds available to the Post Office Depart-  
25       ment or the General Services Administration, as the case



1 may be, for the payment of administrative expenses shall  
2 be available for expenditures to carry out the purposes of  
3 sections 2, 3, 4, and 5 of this Act.

4 SEC. 8. The term "person" as used in this Act shall  
5 be deemed to include firm, corporation, company, partner-  
6 ship, or association.

7 SEC. 9. This Act shall take effect on January 1, 1957.

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## **A BILL**

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To provide for the procurement by the Government of insurance against risk to civilian personnel of liability for personal injury or death, or for property damage, arising from the operation of motor vehicles in the performance of official Government duties, and for other purposes.

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By Mr. JOHNSTON of South Carolina

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Read twice and referred to the Committee on Post  
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